

INFORMATIONAL HEARING
BEFORE THE
CALIFORNIA ENERGY RESOURCES CONSERVATION
AND DEVELOPMENT COMMISSION

In the Matter of:)	
)	
Application for Certification)	Docket No.
for the TID Almond 2)	09-AFC-2
Power Plant)	
Turlock Irrigation District)	
<hr/>)	

CITY OF CERES
COMMUNITY CENTER BUILDING
2701 4TH STREET
CERES, CALIFORNIA

THURSDAY, JULY 30, 2009

5:00 p.m.

Reported and Transcribed by:
John Cota
Contract No. 170-08-001

PETERS SHORTHAND REPORTING CORPORATION (916) 362-2345

COMMITTEE MEMBERS PRESENT

Julia Levin, Commissioner, Presiding Member

Karen Douglas, Chairman, Associate Member

Kenneth Celli, Hearing Officer

Jim Bartridge, Advisor to Commissioner Levin

STAFF AND CONSULTANTS PRESENT

Robin Mayer, Staff Counsel

Felicia Miller, Project Manager

PUBLIC ADVISER'S OFFICE

Elena Miller, Public Adviser

APPLICANT

Jeff Harris, Attorney
Ellison, Schneider & Harris, LLP

Randy Baysinger
Turlock Irrigation District

Charles Fernandes
Turlock Irrigation District

Greg Tucker
Turlock Irrigation District

Larry Weis
Turlock Irrigation District

Sarah Madams
CH2MHill

Jeff Atkins
Sierra Research

Susan Strachan
Strachan Consulting

INTERVENORS

Loulana A. Miles, Attorney
Adams Broadwell Joseph & Cardozo
California Unions for Reliable Energy

ALSO PRESENT

Amy Wolfe
3G Enterprises

Martin Pohl
Hughson Nut Company

Vito Chiesa
County Supervisor, District 2

PETERS SHORTHAND REPORTING CORPORATION (916) 362-2345

I N D E X

	Page
Proceedings	1
Opening Remarks	1
Introductions	1
Introduction to the AFC Process: Hearing Officer Celli	3
Public Adviser's Report: Public Adviser, Elena Miller	11
Presentations by the Parties	
Applicant - Turlock Irrigation District	24
Charles Fernandes, Board President	25
Larry Weis, General Manager	26
Randy Baysinger, Assistant General Manager	30
CEC Staff	47
Staff's Issues Identification Report	54
Discussion of Proposed Schedule	58
Public Comment	62
Closing Remarks	73
Adjournment	74
Reporter's Certificate	75

1 P R O C E E D I N G S

2 5:00 p.m.

3 PRESIDING MEMBER LEVIN: Good evening
4 everyone. I am Julia Levin Commissioner with the
5 California Energy Commission and the Presiding
6 Commissioner for this siting case, the Almond 2.
7 For those of us from outside the area the Almond 2
8 okay, plant.

9 I'd like to welcome you all and ask if
10 there are any elected or appointed or other city
11 or county or government officials present that
12 would like to introduce themselves.

13 All right, well, in any case, on behalf
14 of the Energy Commission I would like to thank the
15 City of Ceres for hosting this. This is a really
16 very, very nice, comfortable, well appointed
17 facility to hold this hearing in.

18 I would also like to introduce the other
19 Commissioner who is the other member of our Siting
20 Committee and then our staff and then have the
21 applicant and other participants introduce the
22 people that they have present.

23 So I'll begin with Chairman Karen
24 Douglas. She's Chairman of the California Energy
25 Commission and she is the Associate Member of our

1 two-person committee for this power and plant
2 siting case.

3 To my immediate left is Ken Celli who is
4 the Hearing Officer and will be running the
5 majority of the presentations and the hearing this
6 evening.

7 To my immediate right is my adviser, Jim
8 Bartridge. And let's see I'll begin here. Let's
9 see, I've got to, I hope they will pronounce
10 everyone's name correctly.

11 Our Project Manager is Felicia Miller.
12 Felicia if you could stand up.

13 And staff counsel is Robin Mayer, Robin.
14 These people are very indispensable to the
15 process.

16 And Randy maybe you could introduce
17 yourself and the other applicants that are
18 present.

19 MR. BAYSINGER: Thank you Commissioner.
20 To my right, I'm Randy Baysinger, Assistant
21 General Manager for power supply with TID.

22 To my right is Jeff Harris the counsel
23 for us.

24 To his right is Susan Strachan our
25 Environmental Permitting Project Manager.

1 Seated in the first row is Sarah Madams
2 from CH2MHill. They did the bulk of putting the
3 AFC together and will do various other things like
4 handle data requests et cetera.

5 In the second row is Greg Tucker. Greg
6 will you stand up. Greg will be, works for TID.
7 He will be our Project Manager for design,
8 construction and procurement.

9 Over, you will hear from these two, next
10 two gentleman, Charles Fernandes, Charlie if
11 you'll stand up. He's President of the TID Board
12 of Directors.

13 And Larry Weis is the General Manager of
14 Turlock Irrigation District.

15 PRESIDING MEMBER LEVIN: Thank you. I
16 believe that we have an intervenor present,
17 Loulena Miles from CURE.

18 MS. MILES: Yes, I'm right, well --

19 PRESIDING MEMBER LEVIN: Loulena.

20 MS. MILES: -- I'm right here.

21 PRESIDING MEMBER LEVIN: Okay.

22 MS. MILES: My name is Loulena Miles.

23 I'm, this is really loud isn't it? I'm here from
24 the law firm Adams, Broadwell, Joseph and Cardozo
25 and I'm representing California Unions for

1 Reliable Energy.

2 And we often get involved in siting,
3 plant siting proceedings and evaluate them for
4 public health and environmental impacts.

5 PRESIDING MEMBER LEVIN: And are any of
6 the city, state or federal agencies here? The Air
7 District, Water District, city, I guessed I asked
8 about the city already, the county, no?

9 Ok, thank you. And finally I'd like to
10 introduce our Public Adviser Elena Miller who will
11 be speaking a little bit later in the evening
12 about how to participate in this process and all
13 the different opportunities that we try to make
14 available for it.

15 This is an informational hearing
16 tonight. It covers broadly the introduction to
17 the proposed project, environmental issues,
18 environmental scoping issues other issues
19 identification and scheduling conference conducted
20 by a committee which is Chairman Douglas and I of
21 the California Energy Commission regarding the
22 proposed Almond 2 Power Plant.

23 The Energy Commission has assigned this
24 committee of two to conduct these proceedings.

25 On May 11, 2009 the California Energy

1 Commission received an application for
2 certification which we will call AFC from Turlock
3 Irrigation District, TID or the applicant.

4 The project involves a 174 megawatt,
5 natural-gas fired, simple-cycle peaking facility
6 and related facilities in the City of Ceres in
7 Stanislaus County. Approximately two miles from
8 here, the City Center and five miles south of
9 Modesto.

10 Just prior to this informational hearing
11 the Almond 2 AFC Committee conducted a public site
12 visit at the proposed location of the power plant.

13 So I'm going to hand it over to our
14 Hearing Officer Mr. Celli in just a moment. But
15 just to point out the purposes of today's hearing
16 which does not cover all of the issues.

17 But today's hearing is to provide
18 information, particularly to the general public,
19 interested parties, about the proposed power
20 plant, to describe the Commission's process in
21 reviewing the application, to provide information
22 on opportunities for public participation and
23 input in this process and to inform the Committee,
24 the parties and the community about the project,
25 its progress to date in the application process

1 and perceived issues, well I would say actual or
2 perceived issues, that need resolution.

3 And finally, to meet and confer about
4 the project schedule.

5 Later in the hearing the Public Adviser,
6 Ms. Miller, will explain how the public can obtain
7 information about the project, participate in the
8 process and offer comments during this review
9 process.

10 She will also explain how to intervene
11 as a formal party, what the pros and cons of that
12 are should anyone wish to present evidence and
13 cross examine witnesses.

14 And at this time I will hand it over to
15 our Hearing Officer, Mr. Ken Celli.

16 HEARING OFFICER CELLI: Thank you,
17 Commissioner Levin. Can you all hear me okay?

18 Thank you. Susan if you can start the
19 slide show. What you're looking at is a picture
20 of Ninth and P Street in Sacramento. That's the
21 building that the California Energy Commission is
22 in.

23 The California Energy Commission is a state
24 agency which has exclusive jurisdiction to
25 license, or as we say, certify new power plants

1 that generate 50 megawatts of electricity or more.

2 There are five Commissioners at the
3 California Energy Commission, two of which are
4 assigned to any committee.

5 I need the next slide there, thank you,
6 and the one after that. On July 1, 2009 the
7 Energy Commission accepted as complete TID's
8 application for the Almond 2 Power Plant, which is
9 a 174 megawatt, simple-cycle electric generating
10 plant near the City of Ceres in Stanislaus County.

11 Notice of today's hearing was mailed to
12 all parties, adjoining land owners, interested
13 governmental agencies and other individuals. And
14 it was also posted on the Energy Commission's
15 website.

16 The Public Adviser's Office is here
17 today and they will explain in a moment the Public
18 Adviser's role in additional efforts to notify the
19 public about today's hearing.

20 Today's hearing is the first in a series
21 of formal committee events that will extend over
22 the next year.

23 The Commissioners conducting this
24 proceeding will eventually issue a proposed
25 decision containing recommendations on the

1 proposed project to the full five member Energy
2 Commission.

3 To be clear, the Almond 2 Power Plant
4 AFC Committee is made up of two Commissioners,
5 Commissioner Levin and Commissioner Douglas, their
6 advisers and me as the Hearing Officer.

7 It is important to emphasize that the
8 law requires that the Committee's proposed
9 decision be based solely on the evidence contained
10 in the public record.

11 To ensure that this happens and to
12 preserve the integrity and impartiality of the
13 Commission's licensing process, the Commission's
14 regulations and the California Administrative
15 Procedures Act expressly prohibit private, off-
16 the-record contacts concerning substantive matters
17 between the participants in this proceeding and
18 the Commissioners, this Committee, their advisers
19 and me.

20 This prohibition against off-the-record
21 communications between the parties and the
22 Committee is known as the ex parte rule. This
23 means that all contacts between the parties and
24 the Committee regarding any substantive matter
25 must occur in the context of a public discussion

1 such as today's hearing or in the form of a
2 written communication that is distributed to all
3 of the parties.

4 The purpose of the ex parte rule is to
5 provide full disclosure to all participants of any
6 information that may be used as a basis for the
7 Committee's future decision on this project.

8 The Energy Commission staff is a party
9 to these proceedings in the same way that the
10 applicant or the intervenor is a party.

11 And even though the staff and the
12 Committee members are both part of the Energy
13 Commission we are completely separate entities for
14 purposes of these proceedings.

15 So the ex parte rule applies to the
16 Energy Commission's staff in the same way that it
17 applies to the applicant or to intervenors.

18 Additional opportunities for the parties
19 and governmental agencies to discuss substantive
20 issues with the public will occur in public
21 workshops to be held by the Commission's staff at
22 locations near here such as in Ceres, possibly
23 Modesto and elsewhere.

24 Information regarding other
25 communications between the parties and the

1 governmental agencies will be contained in written
2 reports or letters that summarize such
3 communications.

4 These reports and letters are
5 distributed to the parties and they are made
6 available to the public.

7 Information regarding hearing dates or
8 other events in this proceeding will be posted on
9 the Commission's website.

10 The application for certification
11 process is a public proceeding in which members of
12 the public and interested organizations are
13 encouraged to actively participate and express
14 their views on matters relevant to the proposed
15 project.

16 The Committee is interested in hearing
17 from the community on any aspect of this project.
18 Members of the public are also eligible to
19 intervene in this proceeding. And if there are
20 any potential intervenors we encourage you to file
21 petitions to intervene soon.

22 This way this will allow for maximum
23 participation on your part.

24 In a moment we're going to ask the
25 Public Adviser's representative to explain the

1 public participation process and also to provide
2 an update on their efforts to contact local
3 residents and other interested groups and
4 organizations regarding these proceedings.

5 Following this we will then ask the
6 applicant and the staff to make their respective
7 presentations.

8 These will in turn be followed by
9 general comments from the public and/or other
10 agencies present. With that, Ms. Miller, please.

11 MS. E. MILLER: Hello everybody. My
12 name is Elena Miller. I've been introduced a
13 couple of times. So I'm going to repeat it so you
14 don't forget it.

15 We do have a few people here from the
16 community and so I want you to know that my office
17 exists to help citizens.

18 We help elected officials. We help
19 anybody that has questions about our proceedings,
20 our process.

21 I happen to be an attorney for the State
22 of California. I'm licensed. I'm required to be
23 an attorney for this position.

24 It is an appointed position. I was
25 appointed in 2008 by Governor Schwarzenegger.

1 Please call my office.

2 I can't say that enough. I have some
3 staff and we consider every question important.

4 We like to hear from you. We like to
5 know what your concerns are because often we can
6 help you if you're feeling that you don't have
7 what you need, if you're feeling overwhelmed or
8 confused we can sometimes just bare minimum get
9 you on the right track.

10 So please don't hesitate to contact my
11 office. I have roles and responsibilities and
12 duties, they include, helping people, guiding
13 people with effective forms of participation in
14 our proceedings.

15 You do not need to be an expert. And
16 what that means but if you want to take a part, if
17 you want to have a voice, I can guide you.

18 Ultimately decisions are yours to make.
19 I cannot represent you but I can certainly tell
20 you what your options are. And I can sort of give
21 you a guidance or guidelines on where the case is
22 and what the most effective way is to participate.

23 There are brochures at the front table
24 if you didn't grab one. And you might have some
25 questions in the future. I encourage to take one

1 with you.

2 And I also have handouts on that table
3 of my presentation. Next slide, thank you.

4 Okay, we have a lot of information on
5 the Energy Commission's website.

6 We have many, many power plant cases
7 right now pending before us.

8 This particular case, TID Almond 2 has
9 its own webpage. So if you go to the Energy
10 Commission's website, this first link is where you
11 need to go to get specific information about this
12 project.

13 We have a unit within our Siting Office
14 called Dockets. Everything that's filed in this
15 case because it is a quasi-judicial process so I
16 tell people this is like a court proceeding.
17 Everything needs to be stamped with a docket date.

18 All of those documents are available on
19 the docket.

20 If you can't view it but it's on the
21 docket log and you would like a copy contact me
22 and my office. And we can get you copies of
23 documents.

24 If you choose to become a party to the
25 proceeding you get copies of everything.

1 But if you're just a citizen wanting to
2 know what a particular document was and you want a
3 copy of it I can help you with that.

4 If you are not on a mailing list or if
5 you are receiving a hard copy in your mail through
6 the US Postal Service and you would prefer to get
7 it through email there is a thing called the list
8 server.

9 That will get you all of the information
10 electronically and you can contact my office if
11 you need assistance. We can do that for you. And
12 we can request to get you off the mailing list if
13 you would prefer to get electronic notices.

14 And if you happen to be in Sacramento
15 you can come to the Energy Commission. We have a
16 lot of information within the building in our
17 library.

18 Information in your community, the
19 original document that was filed by this developer
20 is, again, the application for certification. We
21 use the acronym AFC.

22 It is available here in your community
23 at all of these libraries that are listed.

24 It's a large document. It's in three-
25 ring binder form. It takes up a couple of

1 binders.

2 But if you'd like to see it, look at the
3 diagrams, here we go, Mr. Harris has one up there,
4 color maps, that's where that, best place to see
5 it.

6 You can also see it on-line depending on
7 how strong your server is at home or your service
8 DSL, I know some people have trouble with these
9 larger documents.

10 So if you do have trouble you can
11 certainly get it at the library.

12 Okay. Public participation is a
13 significant part of our process. My position was
14 created statutorily to assist the public. I tell
15 that to people to let you know that the
16 Legislature saw it relevant that the public
17 participate.

18 And to get people aware of a project we
19 do a great deal of noticing. Our Siting
20 Transmission and Environmental Protection Office,
21 I call it Siting for short, sends out letters.
22 Some of you might be on that mailing list as
23 property owners.

24 And I think that, in fact, a few of you
25 are here tonight and received the letter from our

1 Siting Office.

2 I've already said that it goes to the
3 libraries and then we get also copies and notice
4 to the local agencies, the state agencies and the
5 federal agencies with copies in CD form of the
6 application.

7 PRESIDING MEMBER LEVIN: Elena, I'm
8 sorry to interrupt. I think that the background
9 noise is, it might get better if you step away
10 from the other microphone.

11 MR. HARRIS: Or turn it off.

12 MS. E. MILLER: Thank you. I don't know
13 that this one --

14 PRESIDING MEMBER LEVIN: But often when
15 there are two together it causes that.

16 MS. E. MILLER: Want it off? I think
17 it's off, thanks Jeff. Okay.

18 And I've mentioned the list server. I'm
19 going through this slowly. I know that this has
20 been repeated but I want to make sure that
21 everybody walks out of here tonight and
22 understands that there's a lot more information if
23 you're curious.

24 It's not helping is it? (microphone
25 feedback).

1 MR. HARRIS: No.

2 MS. E. MILLER: Okay. I speak loud. Is
3 this better? Okay (several people speaking at
4 once).

5 PRESIDING MEMBER LEVIN: Elena, you can
6 also sit up here.

7 HEARING OFFICER CELLI: While she's
8 coming up folks I want you to know that we have a
9 court reporter.

10 There will be a transcript of these
11 proceedings. And so everything that is being said
12 is being taken down.

13 So that when the time comes for public
14 comment we really do need you to speak clearly and
15 directly right into the microphone so everything
16 makes it into the record clearly.

17 Thank you. I'm sorry Ms. Miller,
18 please.

19 MS. E. MILLER: Okay, I'm back on and
20 there's no background noise, okay. I've mentioned
21 the list server so I'm going to go to the next
22 slide please.

23 My office sent out a great deal of
24 letters to local community, to city, county
25 officials in the City of Ceres, Empire, I think

1 it's pronounced Hughson, Modesto, Turlock, Keyes
2 and also Stanislaus County.

3 We've sent notices in English and
4 Spanish to interested parties that have contacted
5 our office, local native American tribes and
6 registered members, public and private schools K-
7 12 within six miles of the proposed project site,
8 community colleges and universities, places of
9 worship, local non-profit groups, including
10 community, environmental, environmental justice
11 and ethnic organizations, law enforcement and
12 emergency services, community organizations,
13 libraries and prisons.

14 A few hundred letters went out from my
15 office. I've also paid for ads to appear in the
16 Ceres Courier and Mundo Hispano.

17 Our media and communications office
18 sends out regularly press releases and media
19 advisories.

20 I believe we had one member of the media
21 here today.

22 Those go out to the Central Valley
23 Business Times, the Modesto Bee, the Ceres
24 Courier, the Manteca Bulletin, Turlock Journal,
25 Patterson Irrigator, Mattos Newspapers, Mundo

1 Hispano and in addition to radio and television.

2 Next slide please.

3 How to participate. You are
4 participating this evening by attending this event
5 and that's the beginning. It's an integral part
6 of your participation.

7 We don't require you to sign in. This
8 is a legal clarification. There is a sign-sheet
9 at the front door.

10 If you are not on a mailing list please
11 sign that sign-in sheet. That's how we know to
12 get you on our list.

13 If there is anybody here who needs
14 interpreter services please let me know. I can
15 assist with that.

16 If you know of anybody in the community
17 that has an interest in this case and English is
18 not their first language, I am bilingual if they
19 speak Spanish. If they speak another language I
20 can assist with that as well.

21 There are special accommodation
22 assistants. We have a staff person at the Energy
23 Commission if you need assistance or special
24 accommodations.

25 And finally, the public is encouraged to

1 comment at all times. Next slide, Felicia.

2 At the Energy Commission there are two
3 levels of participation in all of our proceedings.

4 You can make your voice heard simply by
5 filling in the blue card. They're on the front
6 table. If you want to comment this evening you
7 fill it in. You provide it to me. We will know
8 from that to call you up so that you can provide
9 your comment this evening.

10 If you leave this evening and you really
11 have something that you want to get off of your
12 chest and you want to comment, you can certainly
13 provide written comments.

14 If you can't figure out where to sent it
15 you can send it to me and I can get it to the
16 appropriate person.

17 And I can get it docketed so our staff
18 knows what your concerns are, what you're in favor
19 of, any viewpoint is worthy of a comment if you
20 feel it important.

21 Comments, so that you know, are
22 considered by the Commissioners. They become part
23 of this record. Because this is a judicial
24 proceeding, quasi-judicial proceeding. They are
25 not deemed evidence. Next slide please.

1 The next level of participation is
2 becoming a party. And that's formal
3 participation.

4 And to do that you would file a petition
5 to intervene. I can get that document for you. I
6 can assist you with filling in. It is
7 straightforward and easy.

8 Again, I cannot guide you in terms of
9 your legal decisions of how to participate but I
10 can, at a minimum, get that for you and assist you
11 in completing it and guiding you on how to file it
12 properly with the Energy Commission.

13 If you have questions about that please
14 contact me. And Mr. Celli mentioned and I will
15 reiterate, if you think that you're going to be
16 interested in intervening I encourage you to think
17 about it now and to do so earlier rather than
18 later in the case.

19 Your ability to participate is better
20 earlier in the case. Your ability to participate
21 as the case continues and moves to the end of its
22 process is diminished by a number of legal reasons
23 that I can articulate for you at another time.

24 Who can become an intervener? Anybody
25 can become an intervener. You do not need to have

1 an attorney. You certainly don't need to be an
2 attorney.

3 And, again, you file a petition. It
4 will be considered by our Committee. And if it is
5 granted you become an intervener. It is that
6 simple. Next slide please.

7 Quickly, there are benefits and
8 responsibilities to intervening. I'm just listing
9 a few. We can have a more detailed conversation
10 if you want to call me about this.

11 You will receive all of the documents
12 that are filed including the AFC. You will get
13 notices of all hearings.

14 You become party on the proof of service
15 list.

16 You may fully participate in the
17 proceeding but the responsibilities mean that you
18 need to file documents when required to do so.

19 You would be required to file motions,
20 petitions, objections and briefs if called upon or
21 ordered to do so.

22 You must present evidence and witnesses
23 but you are entitled to cross examine any
24 witnesses presented by other parties.

25 And, are we on the last slide? Okay.

1 There it is. I've done benefits and
2 responsibilities. I think it's the next one.

3 Okay. The last slide, it's not up yet.
4 But it's just my contact information. I'm going
5 to be here for a while so if you have any
6 questions I encourage you to find me and we can
7 talk. There it is, thank you very much.

8 HEARING OFFICER CELLI: Thank you
9 Ms. Miller. That was really an excellent
10 presentation. And I think you did a great job of
11 making it very clear on how the public can
12 participate.

13 If you're here now and you want to make
14 a comment after these proceedings please fill out
15 one of these blue forms. Ms. Miller has them over
16 at the table on my left, your right.

17 And this is how we know, we will call
18 them in the order that we receive them. This is
19 our way of knowing that you want to make a
20 comment.

21 So with that we're going to next ask the
22 parties to make their presentations in the
23 following order. First the applicant, Turlock
24 Irrigation District will describe the proposed
25 project and explain their plans for developing the

1 project site.

2 After that the Commission staff will
3 then provide an overview of the Commission's
4 licensing process and its role in reviewing the
5 proposed Almond 2 Power Plant Project.

6 After that we will hear comments from
7 the intervener should the intervener CURE wish to
8 make a comment.

9 After that we will discuss the
10 scheduling and issues addressed in staff's Issues
11 Identification Report.

12 And upon completion of these
13 presentations we will invite interested agencies
14 and members of the public to offer comments and
15 ask questions.

16 Again, fill out your blue forms so we
17 know you would like to make a comment.

18 This will be a somewhat informal
19 process. Before we begin though are there any
20 questions about today's agenda? Seeing none I'm
21 going to ask the applicant then to, TID, to please
22 begin their presentation.

23 MR. BAYSINGER: Thank you Mr. Celli. I
24 would like to re-introduce Charles Fernandes TID's
25 Board President.

1 MR. FERNANDES: Is it on?

2 MR. BAYSINGER: I don't think so. I
3 think you need to turn the back on. It's on the
4 bottom. There you go.

5 MR. FERNANDES: Good afternoon. My name
6 is Charles Fernandes and I'm the Board President
7 of Turlock Irrigation District.

8 On behalf of the TID Board I welcome the
9 California Energy Commission and all interested
10 citizens here today. And I want to thank everyone
11 present for attending.

12 One of the hallmarks of public power is
13 community involvement and input which is the
14 purpose of today's informational hearing.

15 Since 1923 TID has been providing
16 reliable, affordable power to our customers by
17 planning strategically for the infrastructure
18 needed to ensure reliability and meet the growing
19 demand for energy.

20 TID remains committed to increasing
21 renewable energy in our portfolio, maintaining
22 excellent reliability and reducing greenhouse gas
23 emissions.

24 You will hear in the coming
25 presentations the technical reasons this project

1 helps us accomplish all three goals while still
2 allowing us to be a good neighbor to those we
3 serve.

4 The completion of this project will
5 allow us to continue our 86 year legacy of
6 providing reliable energy at some of the lowest
7 rates in the state.

8 Again, thank you all for being here.
9 Now I'd like to introduce Larry Weis our General
10 Manager.

11 MR. WEIS: Thank you Charlie.
12 Commissioners, the staff, the Commission and the
13 public I plan to run through, very quickly, I
14 hope, just some background about TID and some of
15 our strategy and where this fits in.

16 As Charlie talked about we were formed
17 in 1887 as a water irrigation district in the
18 state of California.

19 And we established that water in 1903.
20 That's when the first water flowed just right over
21 here actually in Ceres.

22 Electric retail business was started in
23 1923. I'm the General Manager and CEO of the
24 utility.

25 I report to a five person elected board.

1 Our electric service area extends from
2 the Don Pedro Reservoir, the foothills of Yosemite
3 over to the Santa Clara County line, just north of
4 here at the Tuolumne River down to the Merced
5 River. That's our electric service area.

6 Since the mid 1990s with deregulation
7 and the electric utility business changing TID set
8 out some new strategy and implemented which has
9 been implemented over the last ten years.

10 Building, owning and operating our
11 consumer-owned generation including the Walnut
12 Energy Center was our last large addition where we
13 went through this proceeding with the Commission.

14 We rely less on imports and the market
15 and have established our own balancing authority
16 within the WECC and the NERC.

17 And we have aggressively gone after a
18 campaign to build our own generation assets, serve
19 our customers with that, rely less on imports and
20 build our infrastructure internally rather than
21 depend on long-line transmission lines to support
22 our electric system.

23 At the same time we've had some
24 remarkable growth over the last few years. And
25 that's changed somewhat now with the economy. But

1 I'm sure that our service area will see that
2 again.

3 Diversifying our resources from hydro to
4 gas and now with renewables. We are meeting our
5 environmental challenges here at TID.

6 We've worked very hard over the last two
7 years to close and we closed this is the past few
8 months, a 137 megawatt wind project which brings
9 our portfolio which includes solar, many hydros
10 which TID was the leader at that in the early 80s.
11 We installed small-hydro in our canal systems.
12 And now the Tuolumne Wind Project.

13 TID is now 28 percent of our power
14 supply comes from renewables.

15 Energy efficiency is also a strong
16 business. At TID we are meeting or exceeding all
17 of the targets that have been set forth by the
18 state of California for us as a utility to meet
19 with energy efficiency.

20 Similarly AB 32 and greenhouse gas
21 mandates have strengthened our planning and
22 strategy forward to make sure that we meet that,
23 these renewables, energy efficiency and combined
24 with our operation plans we are positive that we
25 will meet those requirements.

1 So we are here, I'm not going to get
2 into the technical detail. I'll turn it over to
3 Randy but the important part of integrating
4 renewables and operating a reliable electric
5 system is reserves and supporting our balancing
6 authority with those reserves and peak generation
7 that we can turn on quickly and meet the
8 requirements of our operation.

9 That's specifically what this project is
10 for. And these fast-start units will meet our
11 WECC and NERC balancing authority requirements and
12 support increased reliability within our electric
13 system.

14 California still needs natural gas
15 generation. That is what we have as a tool is
16 clean natural gas generation to balance, if you
17 will, the renewable portfolios we have, the hydro
18 we have and a diversity of our resource mix here
19 at TID. And that is true with other utilities
20 here in this state.

21 TID is additionally down the road we're
22 looking at another tool to help balance the
23 challenges of meeting a reliable electric system
24 and it's a pump storage project.

25 That's some years out for us but we are

1 in the FERC process right now with that project.

2 So I read through this very fast but
3 this generation facility is very important to us
4 to meet our reliability and service these for our
5 consumers in our service area and to balance the
6 renewables and other mandates that we have before
7 us here at TID.

8 And I thank you for that and I will turn
9 it now over to Randy Baysinger who is our
10 Assistant General Manager of Power Supply at TID.

11 HEARING OFFICER CELLI: Thank you
12 Mr. Weis.

13 MR. BAYSINGER: Thank you Mr. Celli and
14 Commissioners. I'm here to basically go over kind
15 of what I did on the tour, kind of give the
16 outline of the project and the project features.

17 So up on the board, excuse me, is an
18 aerial photo that shows the existing plant and an
19 artist rendering of the new plant.

20 So on the right, excuse me, basically
21 the white buildings and the white tanks, that's
22 the existing Almond Project.

23 Over on the left the Almond 2 Power
24 Plant, and by the way I'm not offended if you say,
25 almond, because probably most of my board calls

1 them almonds so (laughter).

2 You can see where the three gas turbines
3 are. These are simple cycle, thank you (glass of
4 water handed to speaker) simple cycle General
5 Electric LM6000PG. And I'll get into that a
6 little later.

7 But the PG is their newest model which
8 we have serial numbers one, two and three. So
9 we're very excited about that.

10 Kind of coming down the picture from the
11 gas turbines is the switch yard. And we will be
12 connecting the plant into two, connecting the
13 plant by two 115 kV lines to some other proposed
14 infrastructure that we are in the process of doing
15 right now.

16 Further out to the left is the storm
17 water retention pond. This will be a zero-
18 discharge facility as far as storm water.

19 We are not connected to the sewer or
20 potable water in the Ceres, even though this is in
21 the City of Ceres they have not extended those
22 lines out to this area of the city yet.

23 And our natural gas incoming fuel, meter
24 station and natural gas compressors.

25 Mr. Weis went over a lot of these. I

1 won't dwell on these too much.

2 We are one of the five balancing
3 authorities for the state of California, the ISO
4 being the biggest, TID, SMUD, IID and LA
5 Department of Water and Power being the other
6 four.

7 One of the big reasons for this project
8 is the reserves that Mr. Weis mentioned.

9 And currently one of the ways that we
10 meet those reserves as a NERC and WECC regulated
11 entity is our existing Walnut Energy Center and
12 some of our other fleet of generation is operating
13 at a reduced level to provide the reserves in
14 those machines that are spinning.

15 So what that means is we're not
16 operating at the most efficient point.

17 By having the Almond 2 Power Plant it
18 will then allow us to dispatch our fleet at the
19 most economic point, particularly Walnut Energy
20 Center will now operate at maximum load which is
21 the most efficient point for that project.

22 One of the byproducts of doing that is
23 by operating, especially the gas-fired system that
24 we have at most efficient point, we have
25 calculated that we will reduce our CO2 emissions

1 even though this is a gas burning project, we will
2 reduce our CO2 emissions by over 57,000 tons a
3 year. And that's a conservative estimate.

4 So it's all part of the mission that the
5 Board has given Mr. Weis and myself to provide for
6 lowering our carbon footprint.

7 We also have significant stake in
8 renewable portfolio, renewable resources. A 137
9 megawatt wind farm is our most recent addition.

10 That takes some skill at balancing and
11 firming that. We are learning that as we go. We
12 went commercial May 31.

13 We were taking the test energy out of
14 the plant for about three or four months prior to
15 that. So my schedulers are learning very quickly
16 how to balance wind. And this project will help
17 do that.

18 And also to meet the additional load
19 when that happens.

20 Also as part of our WECC and NERC
21 requirements for resource adequacy we have to
22 identify basically the iron, the steel, the
23 generator of where all our resources to meet load
24 and reserves are coming from. That's a
25 requirement that everybody in the state of

1 California has to do.

2 This helps us with being able to achieve
3 those resource adequacy requirements.

4 The actual facts about the project. It
5 is located adjacent to the existing Almond Power
6 Plant.

7 It is 174 megawatts with three simple-
8 cycle gas turbines, 58 megawatts apiece as I
9 mentioned the LM6000PG. It will have Sprint inner
10 cooling. They are water injected machines for NOx
11 control.

12 There will be a new 115 kV switchyard
13 and two, approximately one mile 115 kV
14 transmission lines to connect to the proposed
15 Grayson Substation.

16 We also as part of integrating this into
17 our local grid we will need to reconductor 2.9
18 miles of one of the existing 69 kV lines that
19 comes out of the existing Almond Project.

20 There will be an approximately 10 mile
21 PG&E gas pipeline to serve the fuel for the new
22 project.

23 And our process water comes from the
24 City of Ceres Wastewater Treatment Plant as does
25 the existing project.

1 This is maybe hard to see but you can
2 see in the black are the, black outline, are the
3 existing plant and a new plant.

4 It also shows the lay down area that we
5 will be using which is just north of the
6 facilities. That is Winco Foods' property.
7 They've agreed to allow us to use that. And then
8 it will be returned to them.

9 You really can't see these colors but
10 there is a color code there. It shows the two
11 transmission lines leaving the site going to the
12 south to another circle down there which is the
13 Grayson Substation.

14 Due to NERC and WECC requirements
15 require us to separate those lines. It would be
16 much easier, much cheaper to build a double-
17 circuit line but the new NERC and reliability
18 criteria which we have to meet as a transmission
19 entity as well as a balancing authority is, you're
20 only allowed to put double circuit on five poles
21 from any point so from a generating station or
22 switchyard so you can see after five poles we have
23 to separate those into two to adhere to the
24 reliability criteria.

25 The picture also shows two or two

1 proposed alternates for providing natural gas to
2 the project.

3 One proposal has to PG&E's main
4 transmission line that serves this area runs along
5 Bradbury Road which is about 10 miles to the south
6 of the plant.

7 So one alternative is to have that gas
8 line come up Crows Landing Road to the project
9 site.

10 Another alternative is for the line to
11 go over off the map to Carpenter Road which then
12 also goes down to Bradbury and would intersect the
13 line.

14 We also are having intense meetings with
15 PG&E to make sure we select the best route with
16 the best environmental attributes.

17 And so we will have the final route
18 selected for staff to evaluate very shortly.

19 Since this is being built next to our
20 existing project we will be sharing some
21 facilities.

22 The water treatment and discharge system
23 is there existing and does not need to be expanded
24 to serve the three new units.

25 The water supply and discharge pipelines

1 are in place from the City of Ceres Wastewater
2 Treatment Plant. So we will be using those as
3 well as the existing facility.

4 We currently have ammonia storage on-
5 site for the existing selective catalytic reactor
6 SCR for NOx control. We will use that same tank
7 for and ammonia system for NOx control on the new
8 units.

9 The fire protection system is in place.
10 There is fire water storage and a water loop
11 around the project.

12 Existing project, we will continue that
13 loop around the new project and tie it in so we
14 will share the source.

15 There is an existing oil, water
16 separator on site. Before the water any, before
17 storm water is discharged into the storm water
18 pond, so we will be using that as well and tying
19 in the new project.

20 And we have an existing administration
21 building, control building, the new project will
22 be controlled there. We'll put all the control
23 equipment, at least the computer monitors and the
24 actual controls so our operators can control all
25 four units from the one control center. We don't

1 want to build a new one.

2 We have instruments, service air systems
3 to service the existing plant. We will expand to
4 the new project as well.

5 And as I've said, we will share the
6 water, the water storage tanks. And by those I
7 mean the demin water that will provide the water
8 for the evap coolers on the new units will come
9 from our existing demin system. So we won't need
10 to build any new tankage.

11 HEARING OFFICER CELLI: Demineralized?

12 MR. BAYSINGER: Demineralized water.

13 HEARING OFFICER CELLI: For the public.

14 MR. BAYSINGER: Did I go slang on you,
15 I'm sorry.

16 HEARING OFFICER CELLI: Yes.

17 MR. BAYSINGER: The existing maintenance
18 shop and warehouse will be expanded and therefore
19 shared between the two projects.

20 And a new storm water retention pond
21 will be constructed to accommodate storm water
22 runoff from both plants.

23 The existing plant has a storm water
24 retention pond and it happens to sit right where
25 we want to put one of the turbines. So we will

1 build a new pond and use the dirt from the new
2 pond to fill in where we will put the foundations
3 for one of the turbines.

4 Here is a general arrangement plot plan
5 type diagram. It basically shows in drawing
6 format what I showed pictorially a little bit
7 earlier.

8 So it shows the existing plan to the
9 right, the three turbines, the switchyard, the
10 storm water pond off to the left and the gas
11 compressors so. I'd be happy to answer any
12 questions about that if there's any confusion.

13 Environmental considerations. In
14 preparing the AFC we did a lot of work and a lot
15 of studies.

16 We have located the project in an
17 industrial area. It is zoned industrial,
18 industry.

19 We have not identified any significant
20 impacts to public health, safety or the
21 environment in our analysis so far.

22 We have purchased all the air emission
23 reductions credits. And we have turned them into
24 the San Joaquin Valley APCD. They have given us
25 the certificates.

1 We have in addition applied to them for
2 the authority to construct which is a part of your
3 process as well as you know.

4 And we are expecting to get the PDOC,
5 proposed decision of compliance, proposed
6 determination of compliance. We are expecting and
7 have been told that we will receive that November
8 1st.

9 The project will use recycled water as
10 I've mentioned. And we have not identified any
11 biological impacts in all of our surveys to date.

12 And I'd be happy to answer any
13 questions.

14 HEARING OFFICER CELLI: Thank you Mr.
15 Baysinger. That was really quite clear. I wanted
16 to first ask the Committee, Commissioner Levin do
17 you have any questions?

18 PRESIDING MEMBER LEVIN: Thank you Mr.
19 Baysinger. I do have a few questions.

20 A couple of things I'm curious about.
21 You mentioned the irrigation district's plans to
22 reduce climate change emissions which is great to
23 hear about and that you're focussing on renewable
24 energy and energy efficiency.

25 You didn't mention though what are the

1 global warming emissions from this plant.

2 MR. BAYSINGER: I don't have that off
3 the top of my head.

4 PRESIDING MEMBER LEVIN: I would be
5 interested if someone could get that to us.

6 MR. BAYSINGER: Sure.

7 PRESIDING MEMBER LEVIN: By the way we
8 have Jeff Atkins. I forgot to introduce him
9 earlier from Sierra Research who is our air
10 quality and public health expert. Do you have
11 that?

12 MR. HARRIS: That information is in the
13 AFC so let's --

14 MR. BAYSINGER: Oh, okay, all right.

15 MR. HARRIS: Jeff is going to find it.

16 PRESIDING MEMBER LEVIN: Well, and a
17 related question is, did you ever consider a
18 biomass facility given that we're in the heart of
19 such an amazing agricultural region. It seems
20 like with the orchards so close by that that would
21 be an obvious candidate here.

22 MR. BAYSINGER: Actually we have. We've
23 considered both, well biogas from the dairy
24 industry and also biomass from the orchards. Some
25 of our board members are orchard growers

1 themselves.

2 To date it's, since they can no longer
3 burn the clippings as they used to do in the past
4 they find it cheaper to grind it up and put it on
5 the soil and use it for nutrients.

6 So that's been the typical way for them
7 to handle their clippings now as opposed to
8 burning it or selling it to us so.

9 But we looked at that. As our resource
10 plan every year we do a five year resource plan
11 and we look out also to 20 years but definitely
12 for five years and we're looking at those projects
13 all the time.

14 PRESIDING MEMBER LEVIN: So just to
15 understand, the reason that you didn't pursue
16 biomass was a cost issue?

17 MR. BAYSINGER: Well right now the
18 farmers aren't willing to sell us the wood because
19 they're using it for nutrient growth for their
20 orchards. They want to use the wood themselves.
21 The clippings themselves.

22 PRESIDING MEMBER LEVIN: Thank you.

23 HEARING OFFICER CELLI: Thank you
24 Commissioner. Commissioner Douglas, any
25 questions?

1 ASSOCIATE MEMBER DOUGLAS: No questions.

2 HEARING OFFICER CELLI: I did have a
3 question about biomass. I note that, I don't
4 really know how this would pencil out but there's
5 nine to eleven miles of gas line that needs to be
6 constructed. Do I have that correct?

7 MR. BAYSINGER: Yes.

8 HEARING OFFICER CELLI: I think that's
9 the amount. And so we are looking at the
10 possibility of, you know, negating that if the
11 biomass were such an alternative that would work.

12 I note in the AFC and Mr. Harris you
13 probably are aware that because this project, the
14 A2PP Project is so integral with the A1PP Project
15 and what we're talking about is the Almond One,
16 what we're calling the Almond One Power Plant is
17 the existing Almond Power Plant the 48 or the 50
18 megawatts that's there now and this new proposed
19 power plant there's an exemption for an analysis
20 of the alternatives as you would have let's say if
21 we were just starting from scratch without any
22 relative other power plant. I just wonder if
23 anyway TID would be interested in perhaps
24 revisiting that issue and perhaps discussing that
25 in the process as we go forward even though there

1 isn't a requirement.

2 MR. BAYSINGER: Well I, you know, go
3 ahead Jeff.

4 MR. HARRIS: Section six of the AFC is
5 the alternatives analysis for this project. And
6 so you're correct. We could have under existing
7 California law made the argument that the new
8 project is so integrally related to the old
9 project that we need not as a matter of law do an
10 alternatives analysis.

11 The District simply did not want to go
12 that route. They thought it was very important to
13 do an analysis of alternative generation
14 technologies.

15 We've looked at those and they are
16 discussed in section 6.4. It's one of the
17 sections that the lawyers spent a lot of time
18 reviewing because of the importance of that issue.

19 And we're looking at all the possible
20 alternatives that would satisfy the basic project
21 objectives of the applicant.

22 HEARING OFFICER CELLI: Okay. Well
23 we're early on in the process. It's nice to be
24 able to find out these things now. Julia.

25 COMMISSIONER LEVIN: I just wanted to

1 add a bit of explanation really maybe for the
2 public's benefit in particular.

3 We have a loading order in California
4 which is a statement of priorities of which energy
5 sources we want to permit first.

6 And this is for economic, environmental
7 reliability, energy security, a whole range of
8 reasons, but the California Energy Commission and
9 the Public Utilities Commission have both adopted
10 a prioritization. Essentially what we call the
11 loading order of energy sources which begins with
12 all cost-effective energy efficiency first.

13 The second priority source is renewable
14 energy which would include biomass or most forms
15 of biomass.

16 And then only after those two have been
17 eliminated would we permit new natural gas plants.

18 So while I appreciate the applicant
19 doing analysis when it actually was not required
20 by law and we do thank you for doing that. We do
21 take this loading order very seriously.

22 And I will just say I will be looking
23 more and more carefully with each new project
24 before us to ensure that applicants really are
25 following the loading order in practice as well as

1 in spirit.

2 As I said I was glad to hear about the
3 efficiency and other renewable work you're doing
4 but given the imperative of addressing climate and
5 energy security and protecting all of you as
6 consumers and members of the community we do want
7 to see the loading order followed.

8 So that's why we're asking these
9 questions in this particular case about biomass
10 which is a renewable form of energy.

11 HEARING OFFICER CELLI: Thank you Mr.
12 Baysinger. I want to ask the public and the
13 applicant and CURE interveners to, at this point
14 what I think we'll do is we'll move on to the
15 staff's presentation.

16 And then allow questions if that's okay
17 with the applicant. As people come up and address
18 the Committee I think they could also ask
19 questions if you'd be available at that time.

20 And I think it might move a little more
21 efficiently if we put them off at this time.

22 MR. BAYSINGER: I do have the answer to
23 Commissioner's Levin question earlier on the CO2
24 equivalent metric tons per year for the A2PP is
25 727,671 which is in 5.1.26 of the AFC so.

1 HEARING OFFICER CELLI: Thank you Mr.
2 Baysinger. At this time we're going to turn it
3 over to Felicia Miller who is the Project Manager
4 for the California Energy Commission staff.

5 And meanwhile, ladies and gentlemen, if
6 you wanted to make any comment or address the
7 Committee we would ask that you fill out one of
8 these blue forms that Elena Miller has in her hand
9 over here if you want to speak, make a public
10 comment or address the Committee or ask a
11 question. We're asking you to please fill out a
12 blue form so that we can call you in order. Thank
13 you.

14 MS. F. MILLER: Good afternoon, I'm
15 Felicia Miller and the California Energy
16 Commission's Project Manager for the Almond 2
17 Power Plant Project.

18 My job is to facilitate the Almond 2
19 Project through the Energy Commission's licensing
20 process.

21 This presentation is to, excuse me,
22 provide you with an overview of that process.

23 The Energy Commission has sole
24 permitting authority in California over all
25 thermal power plants 50 megawatts and greater.

1 This authority also extends to all
2 related facilities often referred to as linears
3 such as electric transmission lines, water supply
4 lines, gas pipelines, waste disposal facilities
5 and access roads.

6 CEQA was enacted in 1970 in order to
7 ensure that state and local agencies considered
8 the environmental impact of their decisions when
9 approving a public or private project.

10 There are three phases in the
11 Commission's licensing process. Data adequacy,
12 discovery and analysis, committee evidentiary
13 hearings and decision.

14 During the data adequacy phase the staff
15 reviews the application to determine if it meets
16 the minimum requirements of our technical review.

17 When the application is accepted as
18 complete the clock starts and this is the
19 beginning of the discovery and analysis stage.

20 During the discovery and analysis phase
21 several activities take place to serve staff in
22 acquiring the required information they need in
23 order to complete their analysis and write a staff
24 assessment.

25 Staff publishes an Issues ID Report.

1 And the Issue ID Report for the Almond 2 Project
2 was filed on July 15th. There's copies at the
3 table in the front of the hall if you wish to
4 review that report.

5 The Issue ID Report is followed by data
6 requests which are developed by staff to obtain
7 further information in order to fully understand
8 the project. The first round of data requests for
9 this project will be filed the week of August 6th.
10 So that's next week.

11 In addition, staff will hold public
12 workshops to discuss project issues.

13 Staff then publishes two environmental
14 documents. The first document is the Preliminary
15 Staff Assessment and the second document is the
16 Final Staff Assessment. And they're also known as
17 the PSA and the FSA.

18 After the Final Staff Assessment is
19 published the Committee will begin evidentiary
20 hearings that will include formal testimony from
21 all participants in the process.

22 The Committee will then produce a
23 Presiding Members Proposed Decision and we call
24 that a PMPD which is a recommendation on the
25 proposed project.

1 The PMPD will go before the full
2 Commission for a final decision on permitting the
3 project.

4 As I just mentioned, during the
5 discovery and analysis process staff develops
6 Preliminary and Final Staff Assessments.

7 The staff analysis is dependent upon
8 input from the applicant, agencies, formal
9 interveners and the public.

10 The Public Advisers Office can provide
11 assistance to interveners and the public on how to
12 participate in the overall siting and permitting
13 process for the project.

14 Staff discovery and analysis project
15 examines the project to, the project application
16 to determine if the project complies with all
17 laws, ordinances, regulations and standards and we
18 commonly call these LORS.

19 Staff also conducts independent
20 engineering and environmental analysis of the
21 project. This includes identifying issues,
22 evaluating a reasonable range of alternatives
23 including the impacts of a no project alternative
24 in comparison with the environmental effects of
25 the proposed project and identifies measures that

1 could mitigate or reduce any potentially
2 significant impacts.

3 Staff also recommends conditions of
4 certification that would govern development and
5 operation of the power plant.

6 During this process staff facilitates
7 public and agency participation in workshops,
8 completes their analysis and produces a staff
9 assessment which makes a recommendation to the
10 Committee.

11 The evidentiary hearing and decision
12 process takes place after the Final Staff
13 Assessment is published.

14 During this process the public
15 interveners, agencies and the applicant have
16 additional opportunity to participate in the
17 Committee and the Commission's decision.

18 Staff is no longer the center of the
19 process but provides to continue input to the
20 Committee and the Committee's final decision.

21 During the evidentiary hearing the
22 Committee will accept testimony from the parties
23 formally involved in the siting process as well as
24 public comment.

25 At the conclusion of the hearing the

1 Committee will issue a Presiding Members Proposed
2 Decision. That's the PMPD.

3 The PMPD contains findings relevant to
4 the project's environmental, public health and
5 engineering impacts, the project's compliance with
6 LORS, recommended conditions of certification and
7 a recommendation whether or not to approve the
8 project.

9 The PMPD is then used by the full five
10 member Commission to decide whether or not to
11 grant a license for the proposed project.

12 If the project is approved and a license
13 is granted Energy Commission staff will monitor
14 compliance with all the conditions in
15 certification for the life of the project.

16 Staff's analysis and input to the
17 Committee's final decision requires that staff
18 seek input from agencies of the local, state and
19 federal levels.

20 Staff's participation with these
21 entities assists us in identifying issues,
22 environmental impacts and appropriate mitigation
23 measures.

24 The Energy Commission's process includes
25 holding meetings and workshops and making project

1 information available to those who request it.

2 Project meetings and workshops will be
3 noticed at least 10 days in advance of the date
4 that they are scheduled.

5 Staff maintains project mailing lists.
6 If you'd like to receive project information and
7 notices we send out you can be asked to be placed
8 on the list by checking the box at the sign-in
9 sheet that's available at the front table.

10 You can also sign up to be on the
11 Commission's list server to automatically receive
12 email notification and project information.

13 Copies of the project application are
14 available for public review at a number of
15 libraries as well as the Commission's website.

16 And this website lists the documents
17 that have been filed and docketed in the siting
18 case.

19 You can also contact our docket unit or
20 Elena Miller's office about document availability.

21 And the next slide is a list of project
22 contacts for the Commission. And those project
23 contacts are listed on the project website.

24 They include the Committee, project
25 manager, staff counsel for the Commission and

1 Public Adviser.

2 And the next slide is a contact
3 information for the applicant.

4 Staff's Issues Identification Report
5 which was issued a couple of weeks ago is
6 developed early on in the process.

7 The purpose of the report is to inform
8 the applicant, project participants and the
9 Committee of potential issues that staff finds
10 relating to the project.

11 It also provides focus on the important
12 topics that may affect the project and staff's
13 analysis of the project.

14 The criteria that staff uses for
15 determining whether something is identified as an
16 issue include, the potential for any significant
17 impacts that might be difficult to mitigate, non
18 compliance with LORS or if there's a conflict that
19 could affect the schedule.

20 The potential issue that staff
21 identified for this project has to do with the
22 system impact report.

23 The system impact report analyzes the
24 effect of the proposed project on the ability of
25 the transmission network to meet reliability

1 standards.

2 Under the California Environmental
3 Quality Act also known as CEQA staff must conduct
4 an analysis of any downstream facilities for
5 potential indirect impacts caused by the proposed
6 project.

7 Without a completed SIS staff is not
8 able to identify the direct and indirect effects
9 of the proposed project.

10 And the applicant has indicated that the
11 SIS could be available as soon as July 2009,
12 however, unless there are prolonged delays in the
13 SIS staff doesn't anticipate a delay in our
14 analysis.

15 The proposed schedule is subject to
16 several external factors including, staff's
17 ability to meet scheduled deadlines, the
18 applicant's timely response to information
19 requests, required actions or comments by
20 associated agencies, and that could be the air
21 quality district, a water district for example,
22 and resolution of identified issues.

23 When the Issues ID Report was published
24 on July 15th it included a proposed schedule. In
25 addition the applicant has submitted a proposed

1 schedule. And they submitted that on July 23rd.

2 Both schedules have similarities,
3 however, the Committee will issue a scheduling
4 order usually a couple of weeks after the
5 information hearing and site visit which will
6 include the official project schedule and any
7 additional instructions or comments that the
8 Committee chooses to pass on.

9 As stated in the Issue ID Report the
10 project qualifies for a 12 month licensing
11 process, however, the applicant and the Commission
12 may mutually agree to extend the schedule as
13 needed.

14 If the project has been granted a
15 license by the Energy Commission the project moves
16 into post licensing activities with oversight by
17 the Compliance Project Manager at the Energy
18 Commission.

19 Most projects include a number of
20 conditions of certification that must be met
21 before ground breaking activity occurs and during
22 construction, operation and decommissioning of the
23 project.

24 It's the responsibility of the
25 Compliance Project Manager to work closely with

1 the applicant to meet these conditions of
2 certification Once the project has been approved.

3 And that concludes my presentation.

4 HEARING OFFICER CELLI: Thank you
5 Ms. Miller.

6 MS. F. MILLER: You're welcome.

7 HEARING OFFICER CELLI: Before we move
8 on I want to, first of all I wanted to know if
9 there were any questions for staff about the
10 proceedings, the way these hearings will go?

11 Seeing none, I wanted to first ask staff
12 and the applicant to please remember to docket
13 your PowerPoints for today's, your presentations
14 for today so that becomes a part of the
15 administrative record.

16 I wanted to then ask intervenor CURE
17 whether Ms. Miles if you wanted to make any
18 presentation. The intervenor is a full
19 participant and party to these proceedings.

20 MS. MILES: Thank you. Actually I did
21 not plan to make a presentation today. We're here
22 just to see the site and to learn more about this
23 project at this point.

24 HEARING OFFICER CELLI: Well thank you.
25 And thank you for being here. It certainly helps

1 our process to have intervenors and people who are
2 participating. And the more intervenors, the
3 merrier.

4 So we invite you to participate as an
5 intervenor. We heard from staff regarding the
6 schedule.

7 I have received the schedule from staff
8 and from the applicant. Broad brush I would say
9 that the applicant has pretty much mirrored the
10 staff's with a couple of weeks here or there.

11 I have to say that in light of the
12 fiscal troubles that the state is having right now
13 and the many problems I'm already encountering in
14 getting work out because of this furlough schedule
15 I just don't see shortening up the calendar in any
16 way.

17 I am inclined to show great deference to
18 staff's scheduling but I wanted to hear from you
19 Mr. Harris about the schedule and to hear
20 justifications for short setting any of these
21 dates.

22 MR. HARRIS: Thank you for that
23 opportunity. I appreciate it. And first I do
24 want to say the differences between the staff's
25 schedules and the applicant's are minor. They are

1 a matter of a week or two here or there.

2 And just as a general matter I'd like to
3 say, thank the staff for their work on this
4 project to date. They really did a yeoman's job
5 to review our application and review our
6 supplemental filing for data adequacy.

7 And it's been spectacular, especially in
8 the face of three days of furloughs. As a former
9 employee of the Commission and as a spouse of a
10 state employee I feel your pain and I understand
11 what you're saying in terms of the resource
12 constraints on the Commission.

13 Let me explain why there's a difference
14 of a week or two in the schedule that we've
15 proposed versus that of the staff.

16 And that really comes down to the
17 statutes that governed the Commission's
18 operations. And essentially as you all are aware
19 but for the benefit of the public a decision is to
20 be issued in this case within 12 months, a one
21 year siting thing. And that is the state of the
22 law. That is the statute.

23 I recognize the realities that the
24 Commission is rarely able to make that one year.
25 But that is the state of the law and we're at the

1 very beginning of this proceeding.

2 And so to get the dates that appear on
3 our schedule we simply did this, we took the
4 following into consideration.

5 We were data adequate on July 1 of this
6 year. That would mean to get a decision by July 1
7 of next year we would be at the last business
8 meeting in June of next year.

9 So the last date that you see here June
10 23rd of 2010 is our projected guess at the last
11 date, the last business meeting in June of 2010.

12 And so the reason we picked that date is
13 to show a decision within the statutory one year
14 time frame.

15 And then of course we had to back out
16 from that second meeting in June of 2010 the 30
17 day comment period for the PMPD and all of your
18 other statutory or regulatory requirements for
19 dates.

20 And that's why things moved backward a
21 week or two in our schedule versus the staff's.
22 So that's the explanation for where we ended up.

23 HEARING OFFICER CELLI: Very clear.

24 Well thank you for that and we all anticipate a
25 expeditious AFC in this case and hopefully

1 everything will just go along swimmingly but we
2 also are mindful of the realities.

3 I wanted to in that regard invite you
4 Mr. Harris at your convenience to, I know you're
5 in the Energy Commission Building quite often, to
6 come into the hearing office at some point so that
7 we can, I can show you what we would like exhibits
8 to look like in this case.

9 We see different styles from different
10 firms and we'd like to show you some ideas of how
11 we think they should look in order to really move
12 things along and expedite the process.

13 Because the more organized we are the
14 better we can get the work out on time.

15 MR. HARRIS: We welcome that opportunity
16 for some kind of standardization. I'll bring
17 along the people who are a little smarter than me
18 and better at that so that we make sure we get it
19 right.

20 There's an inside joke about my handling
21 of documents that I won't put on the record but
22 I'll make sure we bring the appropriate folks and
23 we'll follow the system that you set up.

24 HEARING OFFICER CELLI: I appreciate
25 that. Thank you very much. Very clear

1 presentations by staff and applicant, thank you
2 very much.

3 At this time if there's any questions
4 from the Committee of staff?

5 At this time we are going to open up the
6 mic that doesn't seem to be on the podium anymore,
7 there it is (laughter), to public comment.

8 I have received two requests to speak.
9 Usually what we do at this time before we just
10 open it up to general public we often ask if there
11 are any officials of any water districts, air
12 districts who are present that wanted to make a
13 comment. Anyone from PG&E?

14 And I see none, so, thank you. We have
15 three people who have requested to speak. First I
16 have Amy Wolfe from G3 Enterprises. Ms. Wolfe,
17 thank you for joining us.

18 MS. WOLFE: Thank you. Good evening.
19 My name is Amy Wolfe with G3 Enterprises as you
20 just mentioned.

21 I've been with G3 as a general manager
22 of the real estate division for the last three
23 years. And before that I was a regional, vice-
24 president with a renewable energy company for many
25 years and appreciate the complex dynamics between

1 energy users, providers, utilities and municipal
2 districts and the governing utility commissions
3 such as yourself at the federal and state level.

4 It's my pleasure to have the opportunity
5 to say a few words about Turlock Irrigation
6 District and their commitment to customer service,
7 energy savings and renewable energy.

8 G3's main campus which is just a couple
9 of miles away is within Turlock Irrigation
10 District's service territory.

11 And since I've been with G3 for three
12 years we've built nearly 800,000 square feet of
13 warehouse space and a small shopping center.

14 Through a true partnership with Turlock
15 Irrigation District we have implemented more than
16 640,000 dollars in energy savings projects that
17 have saved more than 8.8 million kilowatt hours of
18 electricity every year.

19 We obviously took advantage of TID's
20 energy savings rebate program receiving half the
21 capital costs in rebates.

22 As important to us however TID has
23 become a true partner in our business.

24 TID helped us understand our own power
25 consumption with data collection and analysis

1 along with expert energy consultation.

2 They've advised us in choosing the most
3 advantageous rates for our operations. They've
4 helped us to get our new facilities up and
5 running. And they have provided many new and
6 innovative ideas because they understand our
7 operation and what is important to us.

8 With the help of TID our total energy
9 usage today is 33 percent less than it was in 2006
10 while we have added 40 percent in square footage
11 to our site.

12 While I know that every utility has
13 customer service people and government mandated
14 programs to support energy savings initiatives our
15 experience is that the individual people at TID
16 are really passionate about what they do and are
17 focussed to reach solutions that benefit everyone.

18 Now G3 is happy to report that we're
19 moving forward with an exciting new project,
20 again, with the help of TID and their assistance
21 in navigating the many issues surrounding
22 renewable energy and, of course, their rebate
23 program.

24 We're in the midst of installing a solar
25 project on our campus that will further reduce our

1 dependence on purchased electricity.

2 Our experience with Turlock Irrigation
3 District and their various departments and people
4 has been extremely positive.

5 We definitely appreciate TID's viewpoint
6 that when, we, their customer, are successful and
7 gain in efficiency and use less energy everyone
8 wins. Thank you.

9 HEARING OFFICER CELLI: Thank you.

10 PRESIDING MEMBER LEVIN: Ms. Wolfe I
11 just wanted to ask, what does G3 do as a company?

12 MS. WOLFE: G3 Enterprises we do several
13 things but we have a label manufacturing plant in
14 the service territory. And we also have very,
15 very large warehouses. We have nearly two million
16 square feet of warehouse space on our site.

17 And a lot of what the energy savings was
18 was proper use of lighting and the right lighting
19 for the task and basically turning off the lights
20 during the day but automatically.

21 PRESIDING MEMBER LEVIN: Thank you, it's
22 great to hear success stories like that.

23 HEARING OFFICER CELLI: Thank you for
24 your comments. Next I have Martin Pohl, please.

25 MR. POHL: Thank you. My name is Martin

1 Pohl and I'm the president of Hughson Nut Company.

2 We buy almonds and sell almonds (laughter).

3 PRESIDING MEMBER LEVIN: Very smart.

4 MR. POHL: My relationship with TID is
5 virtually all my life I've lived in this area my
6 whole life and 40 years of it was primarily
7 concerned with irrigation water because power was
8 a given, the lines were there, the power came in,
9 no one questioned it.

10 Two years ago it became obvious to us
11 that our power needs were growing every day.
12 Every piece of equipment was sophisticated,
13 required high quality power and consistent power
14 to keep our plant running.

15 I didn't really know a lot about it but
16 I started out trying to do my own personal
17 research and TID was extremely helpful in
18 providing technical support, answered all my
19 questions.

20 Mrs. Nancy Foley will probably want to
21 change her phone by the time I'm done with our
22 projects because we've constantly questioned her
23 and asked a lot of questions. She's given a huge
24 amount of advice.

25 I started out actually by installing a

1 solar installation on my house, a small one. It's
2 worked fantastic. It whetted my appetite to go
3 further.

4 I was advised by TID that they would
5 provide an energy audit for our plant if we were
6 really serious providing it's an expensive project
7 and they were going to foot the bill for that.

8 And I'm a business man and said, sure.
9 If it works, I would appreciate that.

10 They had an outside company come in and
11 do it. Went through, it was extremely helpful to
12 us. They examined all the lighting in the
13 facilities, in the building.

14 We replace our air compressors with
15 variable frequency drive compressors which use
16 considerably less electricity.

17 We've put automated insulated doors on
18 our cold storage. And the cold storage is where
19 we've saved so much because we had 400 watt metal
20 halide lights inside a cold storage building with
21 a compressor on the outside trying to offset the
22 heat generated by these lights.

23 We put all T5 and T8 fluorescent lights
24 in, all on heat sensors and light sensor and
25 motion sensors and it would appear that our

1 electric bill may go down as much as 25 percent
2 for our whole plant.

3 We changed every light in every office,
4 converted them ourselves. It's been a, it's
5 really been positive.

6 One of our big users of power is our
7 hulling and shelling plant. And yesterday as a
8 matter of fact we signed the contract with a
9 company to provide us with a solar plant which
10 will generate 500 kilowatts of power which in a
11 year should accumulate about 50 percent or 70
12 percent of the power that we will use to run the
13 plant next fall.

14 Hopefully it can be on-line by December.
15 TID has been extremely helpful but we also realize
16 that what we're doing is just a small amount of
17 power generation that our company needs, our
18 neighbor's need and everybody can't put in a solar
19 plant, everybody can't do what we can do.

20 And we would encourage you as a company
21 to look positively towards this project for them.
22 Thank you very much.

23 HEARING OFFICER CELLI: Thank you.

24 ASSOCIATE MEMBER DOUGLAS: Thank you
25 very much for your comments. I wanted to stress

1 that it's very helpful for us to hear about these
2 experiences and we really appreciate what both of
3 the public commentators so far have had to say.

4 And of course the Energy Commission is,
5 the reliability of the electricity system is of
6 paramount concern to us as is meeting the state's
7 environmental and climate goals. So I very much
8 appreciate your comments.

9 HEARING OFFICER CELLI: Thank you very
10 much. Vito Chiesa.

11 MR. CHIESA: Wow, that's pretty good.

12 HEARING OFFICER CELLI: I've met an
13 Italian before (laughter).

14 MR. CHIESA: Well thank you for allowing
15 me to come and speak today. I'm here wearing two
16 hats.

17 Earlier when you asked for introductions
18 from elected officials I decided to sit because
19 I'm still a little shy. But I'm a Stanislaus
20 County Supervisor for District 2 which is
21 completely encompassed within the Turlock
22 Irrigation District electrical area.

23 And I'm also a farmer who raises almonds
24 and sells almonds (laughter). I'm also a user of
25 the water and the electricity within the Turlock

1 Irrigation District.

2 So it's very important, this project is
3 very important to me.

4 My comments will be brief and they're in
5 support of the expansion of the project. But when
6 I was thinking of comments today I was thinking
7 about the rich history of the Turlock Irrigation
8 District.

9 And I sit all the time in absolute
10 amazement that someone turned this, what is
11 essentially a desert, into a bountiful cornucopia
12 of agriculture because of someone's idea and all
13 the hard work.

14 And then the secondary benefit of that
15 was the electrical generation from hydro which is
16 clean and renewable. And I know that's an
17 argument for another day with someone else about
18 whether large hydro is a renewable resource. But
19 I believe it is.

20 And TID has constantly been on the
21 cutting edge. And I look at the Columbia River
22 Project, the Tuolumne Wind Generation and I heard
23 today they're going to be 28 percent of their
24 portfolio is going to be a renewable which is
25 unbelievable considering they're far surpassing

1 what is necessary.

2 But we have to remember that wind
3 doesn't always blow and water doesn't always fall.
4 And, again, that's what comes back to the greater
5 need for a reliable energy source.

6 And this, I think would speak very much
7 to that.

8 We also have, TID has a control area.
9 You know, reliability is very important but the
10 reliance on the transmission system, this will cut
11 it down.

12 And we all know it's taxed in
13 California. And when there is the greatest need,
14 typically in the summer and the afternoons, that's
15 the greatest chance of having a problem with the
16 transmission system.

17 So I think it speaks to this
18 specifically this project. I also believe it's
19 the right location. It's next to the major users
20 as we heard from G3 which is right down the road.

21 Very little intrusion to farmland and
22 Stanislaus County as, you know, speaking on behalf
23 of the Board of Supervisors, we like to protect
24 farmland and keep these things closer to the urban
25 areas.

1 I also want to say that they've
2 maintained an excellent bond rating, TID, because
3 of the, again, the foresight of some people. And
4 I think they can do this project while continuing
5 to maintain that. That's a positive benefit for
6 everyone in the area.

7 As a County Supervisor, myself
8 personally, I've had great experiences working
9 with TID not only as a farmer but as a Supervisor
10 on some projects. They have the same
11 collaborative attitude as I've heard from the two
12 previous speakers. And I have a high degree of
13 confidence and the Board of, the Turlock
14 Irrigation District Board, their senior management
15 as well as the 480 plus employees they have.
16 They're doing a great job.

17 I think it's the right location, the
18 right time and this will continue what the
19 forefathers thought and staying on the leading
20 edge of necessity in this project.

21 So I want to thank you for taking my
22 comments and I hope you give it very strong
23 consideration.

24 HEARING OFFICER CELLI: Thank you
25 Mr. Chiesa. Is there anyone else who would like

1 to make a comment or address the Committee?

2 Seeing none I'm going to hand the
3 proceedings back to Commissioner Levin who will
4 adjourn.

5 PRESIDING MEMBER LEVIN: I would just
6 like to close by thanking all of you for coming on
7 your own time. I know the first hearing is not
8 always the most lively. There's a lot of
9 information about process. But it is really
10 important because we really do want any of you who
11 are interested to be able to participate or to
12 weigh in throughout this process. So we really do
13 want to provide that information right at the
14 beginning.

15 Having said that, I do want to reiterate
16 the comments from the Public Advisor earlier that
17 we have an unprecedented workload right now with
18 new power plant applications.

19 And we are required to take off three
20 days a month because of the state budget situation
21 and we have a 12 month statutory deadline within
22 which are supposed to make a decision on a power
23 plant application. Given all that I can't urge
24 strongly enough if any of you or others you know
25 are interested in intervening formally in the

1 proceeding please do so as early in the process as
2 you can.

3 We just rejected an application to
4 intervene or actually a request for an intervenor
5 for a stay because we did not want to delay
6 another project proposal before us.

7 And we really want to make every effort
8 whatever the schedule is that we adopt. And we
9 will post that on our website and send notice to
10 those of you that have already signed up for this
11 project mailing list.

12 Whatever that schedule is we will make
13 our very best effort to stay on schedule and
14 really urge all of you, and particularly the
15 applicant, to do everything possible to stay on
16 schedule as well because we know that this is a
17 very important issue for the community.

18 And we hope to be as timely as possible.
19 I think that with that I will adjourn the meeting.
20 And thank you all again, have a good evening.

21 (Whereupon, at 6:25 p.m. the
22 Informational Hearing was
23 adjourned.)

24 --o0o--

25

CERTIFICATE OF REPORTER/TRANSCRIBER

I, JOHN COTA, an Electronic Reporter/
Transcriber, do hereby certify that I am a
disinterested person herein; that I recorded the
foregoing California Energy Commission
Informational Hearing; that I thereafter
transcribed it into typewriting.

I further certify that I am not of
counsel or attorney for any of the parties to said
hearing, nor in any way interested in outcome of
said hearing.

IN WITNESS WHEREOF, I have hereunto set
my hand this 4th day of August, 2009

PETERS SHORTHAND REPORTING CORPORATION (916) 362-2345